

NEWS

From the Office of

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Mitzelfelt Secures \$2 Million to Address Foreclosure Crisis

SAN BERNARDINO – At the request of San Bernardino County First District Supervisor Brad Mitzelfelt, the Board of Supervisors yesterday approved the allocation of \$2 million in Home Investment Partnership Act (HOME) funds to address the foreclosure crisis in the County.

“San Bernardino County, especially the High Desert region, has been hit especially hard by the foreclosure crisis and these funds represent one more step toward overcoming that crisis,” said Supervisor Mitzelfelt. “The sooner we can get foreclosed homes repaired and resold to families, the better the quality of life in our County will be. Economists are predicting that the number of foreclosures may increase significantly in the near future due to rising unemployment and pending foreclosures not released by banks yet.”

Mitzelfelt proposed the allocation during Tuesday’s Board of Supervisors meeting as an amendment to the original proposal. The funds were carved out of an initial proposal to allocate \$8 million in HOME funds for the development of multi-family housing in the County. HOME funds are allocated to the County by the U.S. Department of Housing and Urban Development for the purpose of creating or rehabilitating housing or to help families acquire housing.

The County’s Community Development and Housing Department is now expected to return to the Board of Supervisors on December 1 with a proposal for how to best use the \$2 million. That proposal could include a plan to partner with developers to acquire and rehabilitate homes and may also include an allocation of some of the funds to the County’s downpayment assistance program.

Earlier this year, Supervisors allocated \$1.1 million in HOME funds to the Housing Authority of the County of San Bernardino for its rental assistance program and \$1.5 million for the County’s downpayment assistance program.

The downpayment assistance program offers up to \$54,000 in assistance to potential homebuyers who earn no more than 80% of the area median income. The assistance funds are provided as a no-payment, no-interest loan, which is forgiven if the family lives in the home for 20 years, or is repaid if the home is sold sooner.

San Bernardino County is currently ranked as the sixth-worst County in the state for the rate of foreclosures.